SB214

BEFORE THE SENATE COMMITTEE ON ENVIRONMENTAL RESOURCES

TESTIMONY OF THE WISCONSIN DEPARTMENT OF NATURAL RESOURCES ON SENATE BILL 214

July 26, 2001

The Department of Natural Resources is appearing today in support of SB 214.

Under current law, drilling through the beds of the Great Lakes for purposes of oil or gas exploration or production is explicitly prohibited. However, directional drilling beneath the bed of the Great Lakes is a permissible provided the activity is conducted in accordance with all other applicable statutes. SB 214 would prohibit such activity but would allow limited development of oil or gas resources that may lie beneath one of the Great Lakes, provided that drilling does not extend below the lake. The Department supports this added protection.

As we have previously testified in regard to similar proposals, a potential alternative or supplemetary approach would be to establish a setback distance from the lake, within which no surface facilities associated with oil or gas exploration or production may be constructed. This would help to minimize the potential for impacts to the Great Lakes from any oil and gas exploration and production activities, not just those that involve drilling beneath the beds of the lakes.

The Department also supports the proposed prohibition on placement of oil or gas pipelines on or beneath the beds of the Great Lakes as this too provides an additional protective measure that helps to protect the water quality of the Great Lakes.

Protection of the Great Lakes has been and will continue to be a high priority of the Department. As such, if the Legislature proposes measures that will supplement existing controls, we will support those initiatives.



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Project

Offshore Installation

- Concrete coated pipe will be installed approximately 3-10 miles offshore, in water depths of 50-100 feet.
 - Buried generally 3 feet below the lakebed (10 feet below in shipping lanes)
- Lateral extensions connect to mainline.
- Beach crossing will be directionally drilled from 1 mile offshore
 - Disturbance to shoreline or lakebed will be minimal

19

Project

Offshore Installation

- The pipeline will not encourage platforms or offshore drilling.
- It will transport only clean, dry natural gas.
- It is not designed to accept or handle any offshore production.

20

Effects on the ecology of Lake Michigan

- Temporary disturbance of the lakebed during installation of the pipe. Once complete, the lakebed will return to its natural condition.
- Extensive surveys and analyses will be conducted to ensure that areas with toxic sediment are avoided and problems are minimized.

21

Long term environmental implications

- U.S. Department of Transportation data reveals that pipelines are the safest method of transporting energy.
- We are not aware of any long term problems based on our extensive experience in this area.
- Other environmental studies have not identified long term problems.

11

Results of a leak in Lake Michigan

- In the unlikely event of a leak, the natural gas would simply bubble to the surface and dissipate.
- In addition, the pipeline operator will implement state-of-the-art inspection procedures to identify potential maintenance issues before they could become problems.

23

Are there other pipelines in the Great Lakes?

Small - diameter pipeline facilities have existed for years on the Canadian side of Lake Erie. In addition, Coastal subsidiaries have constructed pipeline crossings in the Straits of Mackinac, the St. Clair River and the Niagara River.

24